

anything about it. And these people may very well be terrorists and a threat to the United States of America. I'll go on:

"After jotting down a fake name, using our subject's photo . . . the card sharks put it all together in a private office. Two hundred dollars and a couple of hours later, our subject picks up his documents . . . documents so real looking it's almost impossible to detect anything suspicious . . . identical seals, a new Social Security number, and even affirmation that the U.S. Department of Homeland Security has given its okay. It's easy to get a good fake ID that can legitimately fool employers. And the Federal employment verification "Basic Pilot" cannot detect fraud, which means employers must fend for themselves when determining if a prospective employee is authorized to work in the U.S. What's the point of a system if it doesn't work?"

And that's my question tonight. What are we going to do? We have a system that invites illegal aliens to come into this country. They get education, they get health care, and we have even had legislation passed that would give them an apartment or a home to live in. It's just amazing.

And now we are not enforcing the laws that would stop these people from selling fake IDs, which could give a terrorist the ability to move about in a very easy way here in the United States of America.

This is tragic. Our FBI, our Homeland Security, the State police and the local police in this country need to enforce the laws against creating these fake IDs. It is absolutely essential to keep this country protected and to stop the flow of illegal aliens coming into this country. What's to stop them? Nothing. Right now they get fake ID and they can go anywhere they want, and the American people are sick and tired of it. You talk to any congressman and go to any congressman's district and they will tell you that the American people want this illegal immigration stopped. And we are not even enforcing the law and stopping the manufacture of fake IDs. We have to do something about it.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

(Mrs. MCCARTHY of New York addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE SIMPLIFIED USA TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise tonight to talk about an issue that has been close to my heart since I came to Congress. Clearly, the

current tax code is far too complicated. It is riddled with obvious inequities. Its structure punishes savings and investment, which reduces economic and job growth and burdens domestic industries struggling to remain competitive in today's global market.

Although the U.S. Treasury Department has called for international tax reform and has advocated policies to advance U.S. competitiveness, increase national savings, and reduce our trade barriers, this Congress has failed to offer a substantive response.

Recently, we in the Ways and Means Committee have received a proposal that presents itself as tax reform but is, in fact, as you are going to hear later tonight, a Rube Goldberg device to raise taxes. In this context, it is important to consider other alternatives, and tonight I would like to discuss my own tax proposal which encompasses all of these concerns and would attract a broad cross-section of working Americans.

My proposal, the Simplified USA Tax, puts the right incentives in place to grow our economy and to create new jobs. The Simplified USA Tax has three key components:

One, it simplifies the tax code by a factor of about 75 percent; two, it takes the taxes off of savings to promote thrift and address a national dearth of savings; and, three, it makes America significantly more competitive, thereby creating and preserving better jobs within our borders.

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The simplified U.S.A. tax starts out with just three simple low rates, 15 percent at the bottom, 25 percent in the middle, and 30 percent at the top.

Through a payroll tax credit to all wage earners, SUSAT effectively lowers the income tax rates to the 7 and 17 percent range for nearly all Americans.

Under my proposal, and this is one significant departure from some tax reform blueprints, everyone would get a deduction for mortgage interest on their home. In addition, the SUSAT proposal allows charitable donations and tuition deductions.

To further ensure that the new Tax Code would be progressive, my proposal also permits all families to take a generous family credit, and qualifying families to take an additional refundable work credit. These two credits simplify and improve the current child credit and earned income tax credit.

I believe the Tax Code must also give Americans a fair opportunity to save part of their earnings. By taking the taxes off of savings, we will increase the savings rate and ultimately reduce the cost of capital.

My proposal encourages savings by allowing everyone to contribute to an unlimited Roth IRA. It also repeals the individual and corporate alternative minimum tax, Federal death and gift taxes.

Mr. Speaker, as you can see, the individual tax system, under my proposal,

is designed to be simple. The tax return will be short, only a page or two for most people; but, more importantly, the tax return will be comprehensible.

My proposal also contains a new and better way of taxing corporations and other businesses that will allow them to compete and win in global markets in a way that exports American-made products, not American jobs.

All businesses are taxed alike under our proposal at an 8 percent rate on the first \$150,000 of profit, and a 12 percent on all amounts above that small business level. All businesses will be allowed a credit for the 7.65 percent payroll tax they pay under the current law.

One of the most pro-growth elements in SUSAT is that all costs for plant equipment and inventory in the United States will be expensed in the year of purchase. This is important because investment in state-of-the-art equipment is critical to manufacturing in a global economy.

The other key component of SUSAT which will make American business more competitive is that it will be border-adjustable. In other words, SUSAT would end the perverse practice unique among our trading partners of taxing our own exports. All export sales income is exempt and all profits earned abroad can be brought back home for reinvestment in America without penalty.

Because of a 12 percent import adjustment, all companies that produce abroad and sell back in the U.S. markets will be required to bear the same tax burden as companies that both produce and sell in the U.S. This policy would finally take away the bias in favor of imports built into our current tax structure, which, in my view, contributes dramatically to our trade deficit, which, in my view, continues to rise at record-breaking levels.

LIEUTENANT GENERAL DAVID POYTHRESS

The SPEAKER pro tempore (Mr. ELLISON). Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Mr. Speaker, as we approach Veterans Day, I proudly rise to honor a Georgia native, Lieutenant General David Poythress, who has served the State of Georgia as our adjutant general since 1999.

Two weeks ago, I attended the change of command ceremony for General Poythress as he stepped down from his post as commander of the Georgia National Guard.

General Poythress's long and distinguished military career began at Emory University in Atlanta, where in 1967 he received his law degree, and he graduated as a distinguished military graduate of the Emory ROTC program.

After graduation, Mr. Speaker, General Poythress served 4 years on active duty with the United States Air Force